

State of Alaska FY2010 Governor's Operating Budget

Department of Education and Early Development Program Administration & Operations Component Budget Summary

Component: Program Administration & Operations

Contribution to Department's Mission

ACPE's mission is to promote, support, and provide access to postsecondary education in Alaska and for Alaskans.

Core Services

- Provide financial aid for postsecondary education and training
- Promote postsecondary education participation in Alaska
- Protect consumers through institutional authorization and consumer complaint investigation
- Developed and deliver the AlaskAdvantage® Programs and Services and other occupational area-specific education loans
- Outreach and early awareness programs are designed to increase Alaskans' awareness of the importance of academic and financial planning to access and success in postsecondary education. ACPE seeks to make all Alaskans aware postsecondary education is important and possible, regardless of economic or social status. ACPE provides the tools and information necessary to make sound educational/training investments and decisions through an electronic resource of education/training/labor information.
- ACPE monitors postsecondary educational opportunities in and outside Alaska, providing education consumers with information on these opportunities. Except for certain exempt institutions, ACPE is the regulatory agency with oversight of postsecondary schools operating in the state. Oversight duties include setting and enforcing minimum standards of academic, administrative and financial soundness essential in providing education consumer protection in Alaska.

Major Activities to Advance Strategies

- | | |
|---|--|
| <ul style="list-style-type: none"> • Staff appropriate public events/venues • Higher education planning materials distributed to all Alaskan students and parents • Higher education promotion activities for at risk youth • Partner with all stakeholder groups to identify opportunities to expand program impact while leveraging cost efficiencies • Promote federally guaranteed loans using borrower incentives • Provide flexible repayment options • Take proactive default prevention action | <ul style="list-style-type: none"> • Provide credit counseling resources • Increase business efficiency and accountability through technology • Provide convenient payment services (i.e. electronic, web, paper check, etc.) • Upgrade Web delivered services to provide 24/7 access to loan applications and account management tools • Provide compliance training for school staff • Provide site reviews of school compliance processes • Collaborate with other agencies (Occupational Licensing, AWIB) to optimize value of information disseminated to schools and the public |
|---|--|

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$13,105,100

Personnel:

Full time	102
Part time	0
Total	102

Key Component Challenges

- Deliver programs with the objectives of increasing access for lower-income residents, assist in addressing key worker shortage areas, and incent secondary students to take a rigorous high school curriculum
- Increase ASLC share of Alaska's Federal Family Education Loan Program (FFELP) volume
- Administer and provide policy direction for the ACPE programs, achieving efficiencies and delivering value-added service to Alaskans through improved management, processes, and technology
- Review and oversee postsecondary programs and institutions operating in the state, with the exception of the University of Alaska system, emphasizing quality in postsecondary education and training to ensure value for Alaskans in their pursuit of lifelong learning
- Provide Alaskans with information about: the benefits of higher education, the educational opportunities in Alaska, and financial aid programs available to assist in accessing those opportunities
- Maintain loan portfolio quality through effective collections and enhanced revenues
- Maintain high service standards for loan borrowers through informed use of technology
- Maintain quality internal operations through accountability and quality control and informed use of technology

Significant Changes in Results to be Delivered in FY2010

- Propose and implement programs that improve high school graduation and postsecondary education completion rates in Alaska
- Increase anytime, anywhere assistance to student borrowers and their families
- Increase on-site assistance and student financial aid technology support for participating institutions
- Continue to expand early awareness and outreach services to Alaska families for distribution of academic preparation and education financing information
- Enhance and extend online tools and interagency partnerships and collaboration to deliver robust career planning services for Alaskans
- Enhance technological tools to increase loan collection efficiency and effectiveness with no increase in staffing
- Enhance electronic desktop tools for ACPE staff to ensure accurate, efficient, and consistent customer service levels

Major Component Accomplishments in 2008

In addition to the services described in the preceding agency performance narrative, notable 2008 accomplishments include:

- Delivered \$4.4 million in borrower cost reductions on qualifying education loans, bringing the cumulative benefit total to \$21.6 million and maintaining a robust borrower benefit package to incent and reward borrowers who attend school or reside in Alaska
- Enabled 1,610 Alaska students and their families to save over \$11.6 million in tuition costs through Alaska's participation in the WICHE Western Undergraduate Exchange program
- For the 5th consecutive year, maintained position as #1 federal education loan provider in the state of Alaska, providing Alaska students with the lowest cost loans in the U.S. with interest rates ranging from 3.25% to 6%
- Achieved a reduction in ACPE's federal cohort default rate from 9.6% in 2004 to 5.5%;
- Provided substantial borrower cost savings through consolidation at lower interest rates. Approved over \$16 million in consolidation loans in FY2008
- Returned \$32.3 million in dividends to the State since FY2001
- In FY2008, originated \$80.8 million in loans to over 9,000 borrower loans
- Fully serviced over 160,000 loans with a total loan portfolio of approximately \$669 million
- Attracted 446 undergraduate students from other states to the University of Alaska through the Western Undergraduate Exchange program

Statutory and Regulatory Authority

AS 14.42.010-055
AS 14.42.100-990
AS 14.43.091-175
AS 14.43.250-325

AS 14.43.400-420
AS 14.43.510
AS 14.43.910-990
AS 14.44.010-060
AS 14.48.010-210
20 AAC 15.010-990
20 AAC 16.010-090
20 AAC 17.015-910
20 AAC 18-005-990
20 AAC 19.010-990

Contact Information
<p>Contact: Diane Barrans, Executive Director Phone: (907) 465-6740 Fax: (907) 465-3293 E-mail: diane.barrans@alaska.gov</p>

Program Administration & Operations Component Financial Summary

All dollars shown in thousands

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	7,610.4	8,077.4	8,536.4
72000 Travel	214.0	117.7	117.7
73000 Services	3,632.7	4,029.2	4,202.8
74000 Commodities	229.2	108.2	108.2
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	191.4	340.0	140.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	11,877.7	12,672.5	13,105.1
Funding Sources:			
1002 Federal Receipts	111.4	470.0	800.0
1092 Mental Health Trust Authority Authorized Receipts	0.0	200.0	0.0
1106 Alaska Post-Secondary Education Commission Receipts	11,726.9	11,902.5	12,205.1
1108 Statutory Designated Program Receipts	39.4	100.0	100.0
Funding Totals	11,877.7	12,672.5	13,105.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	111.4	470.0	800.0
Statutory Designated Program Receipts	51063	39.4	100.0	100.0
Mental Health Trust Authority Auth.Rec.	51410	0.0	200.0	0.0
AK Post-Sec. Education Comm. Receipts	55520	11,726.9	11,902.5	12,205.1
Restricted Total		11,877.7	12,672.5	13,105.1
Total Estimated Revenues		11,877.7	12,672.5	13,105.1

**Summary of Component Budget Changes
From FY2009 Management Plan to FY2010 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2009 Management Plan	0.0	470.0	12,202.5	12,672.5
Adjustments which will continue current level of service:				
-Remove OTI MHTAAR Program Funding	0.0	0.0	-200.0	-200.0
-FY2010 Wage and Health Insurance Increases for Bargaining Units with Existing Agreements	0.0	0.0	302.6	302.6
Proposed budget increases:				
-FY10 Increase to Federal Receipts for Carryforward	0.0	330.0	0.0	330.0
FY2010 Governor	0.0	800.0	12,305.1	13,105.1

**Program Administration & Operations
Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2009 Management Plan	FY2010 Governor		
Full-time	102	102	Annual Salaries	5,887,164
Part-time	0	0	COLA	228,135
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	3,063,609
			<i>Less 7.00% Vacancy Factor</i>	(642,508)
			Lump Sum Premium Pay	0
Totals	102	102	Total Personal Services	8,536,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant	0	0	6	0	6
Accounting Technician (Acpe)	0	0	6	0	6
Admin Support Specialist	0	0	5	0	5
Administrative Assistant	1	0	1	0	2
Administrative Manager	0	0	2	0	2
Administrative Officer	0	0	4	0	4
Business Lead/Analyst I	0	0	1	0	1
Business Lead/Analyst II	0	0	1	0	1
Business Lead/Analyst III	0	0	2	0	2
Chief Financial Officer	0	0	1	0	1
Customer Service Spec I	0	0	1	0	1
Customer Service Spec II	0	0	12	0	12
Customer Service Spec III	2	0	12	0	14
Customer Service Supervisor	0	0	1	0	1
Director	1	0	1	0	2
Director/Iss	1	0	0	0	1
Documents Processor	0	0	3	0	3
Executive Director	0	0	1	0	1
Executive Secretary IV	0	0	1	0	1
Information Officer	0	0	1	0	1
Internal Auditor IV	0	0	1	0	1
LAN Administrator	0	0	1	0	1
Loan Services Supervisor	0	0	1	0	1
Loan Servicing Technician I	0	0	2	0	2
Loan Specialist	0	0	11	0	11
Policy Analyst	0	0	1	0	1
Procedures & Training Spec	0	0	2	0	2
Program Assistant	0	0	1	0	1
Program Coordinator	5	0	0	0	5
Program Manager	1	0	1	0	2
Programmer/Analyst	7	0	0	0	7
Publications Specialist	1	0	0	0	1
Totals	19	0	83	0	102